ALAMEDA COUNTY
CONGESTION MANAGEMENT AGENCY

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June 25, 2009
Agenda Item 5.0

Memorandum

DATE: June 18, 2009

TO: Congestion Management Agency Board

FROM: Dennis R. Fay, Executive Director

SUBJECT: EXECUTIVE DIRECTOR'S REPORT

Sacramento Report
I have attached a report from the CMA's Sacramento representative.

Washington, DC Report
I have attached a report from the CMA's Washington, DC representative.

CMA Board Voting Structure
Based from the Department of Finance population estimates released in May 2009, there will be changes in the CMA Board Voting Structure. The City of Oakland will have one additional vote while the City of Alameda will lose one vote (Attachment C).

Express Lanes Briefing for Solano Transportation Authority
On June 4th the CMA hosted an express lanes briefing for members of the Solano Transportation Authority at Supervisor Haggerty's Pleasanton office. STA is planning an express lane on I-80. The members of STA asked many questions about operation of express lanes.

Conservation Corps and Future Transportation Enhancement (TE) Funding
SB 286, approved in 2008, directs agencies to give priority to projects that partner with either the state or local conservation corps when considering future Transportation Enhancement funding. MTC held a workshop at 11:30 am on June 15th at the MetroCenter on the Conservation Corps, their mission, and how to partner with them for various local enhancement projects. Project sponsors, including cities, counties, and transit agencies, attended to learn more about the Corps. Representatives from the Corps (both state and local) were available to answer questions.

Transportation Bond Measure Projects

<u>I-580 Eastbound HOV Lane Project</u> – The contractor for the first contract has completed work in the median and traffic has shifted in order for the outside widening to begin. The project is on

track to open in August 2009. The second contract received a California Transportation Commission (CTC) allocation of funds at the October meeting and was advertised on January 5, 2009. Bids were opened on June 3, 2009 and are being evaluated. The apparent low bidder was almost 40 percent below the engineer's estimates. The CMA issued a Notice to Proceed to the design consultant to prepare the project development package for the auxiliary lanes between Isabel and North Livermore Avenue and North Livermore Avenue and First Street.

I-580 Westbound HOV Lane Project – The draft Environmental Document was released for circulation on March 25, 2009 and the public comment period closed on April 24, 2009. The design phase of this project began in June 2008. The 65 percent PS&E package will be submitted to ACCMA for review on June 25, 2009. The CMA and the consultant have prepared a strategy to split the project into smaller construction contracts and will submit a delivery action plan for Caltrans and CTC approval. The CMA is preparing a delivery action plan for review by the CTC to remove the bus ramp from the project scope.

I-580/Route 84/Isabel Interchange – This project is sponsored by the City of Livermore and received $68 million from the CMIA bond fund program. The project was split into three smaller contracts. Contract three, administered by Caltrans received an allocation of construction funds from CTC in October 2008. The CTC allocated the construction funds for the two contracts administered by the City of Livermore at its December 2008 meeting. The three contracts were advertised in January 2009. Bids for Contracts one and two were opened last month. Bids were below the engineer's estimate by 40 percent. The City of Livermore is reviewing the results and an award recommendation will be made shortly. The bid opening for Contract three was on June 9, 2009 and the apparent low bidder was more than 40 percent under the engineer's estimate.

I-880 Southbound HOV Lane Extension (Hegenberger to Marina) – Environmental and preliminary engineering services are ongoing. A 35 percent submittal package has been completed and comments have been received from Caltrans. The project has been divided into two construction packages to attract more bidders. At the request of the City of San Leandro, the ACCMA is overseeing the Marina Boulevard Interchange Project Study Report (PSR).

I-80 Integrated Corridor Mobility (ICM) Project – Stakeholders have submitted their comments on the Traffic Light Synchronization Program (TLSP) Project #6 Concept Report, Plans and Functional Requirements. The Design Team delivered the TLSP 65 percent PS&E to local agencies and Caltrans for review on May 12, 2009. In addition, the 65 percent PS&E for the Traffic Operations System (TOS) Project #3 was submitted to Caltrans on May 12, 2009 and the 65 percent PS&E for the Adaptive Ramp Metering (ARM) Project #4 was submitted to Caltrans on May 18, 2009 for review and comment The Automated Traffic Management (ATM) 35 percent design package was submitted to Caltrans on June 8, 2009. Traffic Modeling of the I-80 and San Pablo corridors is underway and a preliminary micro-simulation of speed harmonization on the I-80 corridor was presented to the CSMP/TAC/PLT committees. A Delivery Action Plan, addressing the project's revised schedule, was developed by Caltrans, MTC, CMA and the CCTA was submitted to Caltrans HQ staff for review and comment on June 11, 2009. From Caltrans HQ comments, the Delivery Action Plan will be revised and will be submitted to the California Transportation Commission (CTC) staff.

I-880 North Safety and Operational Improvements at 23rd/29th Avenues – The Project Report and Environmental Document are underway and preliminary engineering and environmental technical studies have commenced. The Administrative Draft environmental document was submitted to Caltrans on May 28, 2009.

Status of Corridor Studies/Projects

I-680 Express Lane Project – The CMA has partnered with Caltrans on the design of this project. The project has been split into six contracts: three roadway contracts, one landscape contract, an environmental mitigation contract and a system integrator contract. Bay Cities, the contractor for the first contract, Grimmer to Route 238 (Mission Blvd), is continuing to work aggressively to complete the project.

Contract 3, Route 238 to Grimmer, was awarded on April 7, 2009 and contract 2, Route 238 to Stoneridge, was awarded on April 17, 2009. Both contractors have begun working on constructing the civil elements of the projects. Electronic Transaction Consultants (ETC), the System Integrator consultant has been developing the design parameters and criteria for the dynamic pricing algorithm, interface with Caltrans TMC, CHP, and BATA customer service, and designing the communication network.

I-580 Traffic Management Plan Project – The Center-to-Center (C2C) Program communication hubs project was awarded to DKS Associates. This communication package will link various Transportation Management Centers in the Bay Area which include communication centers at the Metropolitan Transportation Commission (MTC) and Alameda County SMART Corridors. The Software Integration Package was awarded to Irvine Global Consulting and will be completed in June 2009. The integration will link cameras, detectors and changeable message signs along I-580 with communication centers at the Cities of Dublin, Livermore, Pleasanton and Alameda County SMART Corridors. The draft C2C Hub design has been completed. These projects are on schedule with the completion date of June 30, 2009. The project is also installing ramp metering on Grant Line Road, North Flynn Road and Portola Avenue, funded from a MTC grant, however, funding for the ramp metering has been delayed.

I-580 Corridor ROW Preservation – The CMA consultant prepared environmental documents (Categorical Exemption) for six properties that are currently available for acquisition. The funding agreement with ACTIA was executed in May 2009 and ACCMA is set to begin discussions with Caltrans to establish a partnership agreement for this project.

I-580 Westbound Auxiliary Lane Project – This ACTIA Measure B funded project consists of two westbound I-580 auxiliary lane segments from Airway Boulevard to Fallon Road and from Fallon Road to Tassajara Road. ACTIA is the lead agency for the environmental phase and has completed the NEPA environmental document to clear the Fallon to Tassajara Road auxiliary lane segment. Caltrans approved the plans and has issued an encroachment permit to allow this work to be combined with the City of Dublin's Fallon Road Interchange Project. A project specific funding agreement between the City of Dublin and the CMA has been completed.

I-580 Eastbound High Occupancy Toll (HOT) Lane: Technical Studies and Preliminary Engineering – Preliminary Engineering and preparation of the Environmental Document began in July 2008. The consultant is addressing Caltrans' comments on the traffic operations analysis report. The CMA has requested that additional studies be prepared to investigate the feasibility of a double HOT lane. A contract change order to install the infrastructure of some of the civil elements of the HOT Lane was issued to the EB HOV project. The CMA is investigating possible alternatives for delivery of the civil elements of the project. A final draft RFP for the system integrator is being circulated for review and comment by the project team.

I-680/I-880 Cross Connector Project – Team meetings and technical studies are currently on hold pending agreement with Caltrans regarding project oversight support. The CMA has requested the consultant to reinitiate studies in anticipation of Caltrans resource availability in early FY 2009/2010.

I-580 Soundwalls at San Leandro – The San Leandro soundwall project was advertised on April 8, 2009 following the federal authorization (E-76) for construction on April 1, 2009. The CMA opened bids on May 7, 2009 and received 4 bids for the contract. The Contract was awarded on May 28, 2009 and a Notice to Proceed was issued on June 8, 2009. The contractor began work on June 15, 2009.

I-580 Soundwall Design – Oakland – The 95 percent PS&E for the Oakland soundwall is scheduled to be submitted to Caltrans in late June 2009, following incorporation of Caltrans comments.

Caltrans Corridor System Management Plans (CSMPs) - The California Transportation Commission required Corridor System Management Plans (CSMPs) for corridors in which Corridor Mobility Improvement Account and State Route 99 bond funded projects are programmed. The purpose of the plans is to preserve mobility gains from the investments by managing the corridor for highest sustained productivity. The plans identify a corridor management strategy that all jurisdictions, regional agencies, and modal operators along the corridor agree to and that will guide corridor development, operation, and investments from all sources. The plans are based on diagnostics of the causes of congestion and micro-simulation of all strategies, actions, and projects that determine the most effective mix to restore and preserve corridor productivity. The plans also complement and support activities in the Regional Blueprints efforts, compliance with Assembly Bill 32 and Senate Bill 375, and the implementation of the Smart Mobility Framework. The CSMP preparation process is led by Caltrans, MTC and ACCMA (I-80) for four corridors in Alameda County: I-80, I-880, I-580 and SR-24. These CSMPs are due for completion by September 2009. Fact Sheets describing a summary of each CSMP plan and process will be provided to ACTAC in July 2009 and the findings and recommendations to all the Committees and the Board will follow at the end of 2009.

Ardenwood Park & Ride Lot Project – Construction of the Park and Ride Lot began on September 18, 2008. The new portion of the Park and Ride Lot did not open on June 2009 as scheduled. Field tests indicated that additional curb & gutter and striping work is necessary before AC Transit buses can cleanly enter and exit the lot. A sub project is being developed to construct a CMS sign on State Route 84, place "next bus" signs in the bus shelters, provide striping and signal modifications to improve access from Ardenwood Blvd. and construct a restroom for AC Transit's use. These sub projects will extend completion to October 2009.

BART to Warm Springs – Bids for the Final Design on the Fremont Central Park Subway ("Subway") were opened on April 21, 2009. The BART Board accepted staff's recommendation to award the contract to the Joint Venture of Shimmick-Skanska on May 28th. and a Notice to Proceed will be issued in late July. Preliminary engineering on the Line, Track Station and Systems ("LTSS") contract is nearing 100% complete. BART also recently conducted a Value Engineering (VE) study of the LTSS contract documents and intends to incorporate certain VE recommendations prior to finalizing the bid documents. A Request for Qualifications (RFQ) for the LTSS contract is expected to be issued this summer and a Request for Proposal (RFP) is expected to be issued this fall, with a best-value mid-2010, subject to funding availability.

BART to Silicon Valley (Silicon Valley Rapid Transit Corridor (SVRTC) – The Final EIS is expected to be circulated in January 2010.

Caldecott Tunnel 4th Bore – The Final Environment Document for the project is available for review on the project website at: www.dot.ca.gov/dist4/caldecott/. CMA staff continues to coordinate with Caltrans on the project delivery through the Project Leadership Team (PLT) and the Executive Steering Committee (ESC). Caltrans has reached agreement with the Fourth Bore Coalition to settle the litigation that was filed against the project. The CTC approved allocations in May that allow Caltrans to advertise the project. The project was advertised on May 19, 2009, with bid opening scheduled for August 11, 2009 and award in October 2009.

Dumbarton Rail Corridor – The project continues to proceed with finalizing the environmental, constructability and structural evaluations. The draft EIS/R is progressing and is expected to be released by fall 2009.

Grand/MacArthur Corridor Transit Enhancements – This project is a key first step towards bringing major transit improvements to the Grand Avenue/MacArthur Boulevard corridor. The limit of this corridor is from Eastmont Mall to the Transbay Terminal in San Francisco. This SMART/Bus Rapid Transit (BRT) Corridor implementation will be modeled after the existing San Pablo Avenue and International/Telegraph SMART/BRT Corridors. On July 31, 2008, the CMA Board awarded the Grand/MacArthur Corridor Transit Enhancement Project construction contract to Ray's Electric, the lowest responsive bidder. Construction started September 22, 2008. The contractor has installed all ITS elements of this project on Grand Ave. This project is on schedule with a completion date of June 30, 2009.

SMART Corridors Program – CMA's SMART Corridors partnership includes 29 public agencies. The CMA provides video and traffic data to the public and to transportation managers as well as emergency service providers in real-time. The public website address for the SMART Corridors is: http://www.smartcorridors.com. The CMA is working with the Alameda County Public Works Agency on the implementation of Transportation Management Centers (TMC).

CMA is also leading the project to implement ITS on Webster Street in the City of Alameda. CMA staff is also managing various contracts to operate and maintain SMART Corridors components.

San Pablo Avenue Rapid Bus Stop Improvements - The CMA is taking the lead in implementing approximately $2.6 million in improvements to the Rapid Bus stops in Alameda County funded through AC Transit using Measure B funds. At the request of the cities, the CMA and the funding agencies have agreed to implement streetscape amenities as an alternative to the installation of decorative crosswalks. This extended the project completion date to June 2009. All project elements are completed with the exception of bus-bulb-outs and median islands which started in May 2009. The project is on schedule with a completion date of June 30, 2009

State Route 84 HOV Extension – Dumbarton Corridor – The HOV lane was open to traffic on September 5, 2008 and the project closeout is underway.

Central Alameda County Freeway System Study – The TAC met on May 11, 2008 to recommend release of the draft Project Initiation Document (PID) to the Policy Advisory Committee (PAC). The next PAC meeting is being scheduled and is anticipated to be held in June or July 2009. After PAC approval to release the prioritized Local Alternative Transportation Improvement Program (LATIP) project list, local approvals will be sought similar to the process used for the Financially Unconstrained LATIP.

MTC's Lifeline Transportation Program – MTC approved CMA Board's recommended program of projects. Tier 1 is based on the approved State budget. The Tier 2 program is subject to confirmation of the FY 2009/2010 state budget. The intent of the Lifeline Transportation Program is to fund projects that increase transportation mobility for low income residents in Alameda County.

Berkeley/Oakland/San Leandro BRT – The BRT TAC meeting was held on May 14, 2009 to prepare for the BRT Policy Steering Committee. The next TAC meeting is scheduled for June 16, 2009 at 2 p.m. The BRT Policy Steering Committee (PSC) was held on May 15, 2009 receive an update on the operating plan. The next PSC meeting is scheduled for June 19, 2009 at 3 p.m.

Transportation and Land Use Work Program – The City of San Leandro submitted their revised Oriented Development Technical Assistance Program (TOD TAP) scope of work. Staff is coordinating within the county to determine how to integrate TOD into climate change goals, and will meet with MTC June 15th to discuss to annual program scope of work and the next TLC cycle

Community Based Transportation Plan – The City of Alameda Community Based Transportation Plan consultant draft plan, which includes prioritized transportation needs and solutions based on community outreach, will be on the June 2009 Board agenda.

Guaranteed Ride Home Program – The Annual Evaluation, approved by the Board in May 2009, is posted on the CMA website. 4,422 employees and 190 employers are actively registered in the program. Thirty five new employees registered in the past month. Five rides were taken in the past month, one of which was a rental car ride. The average cost per taxi trip is $83.90 and the average trip length is 38.9 miles. The average one-way trip distance for a rental car ride is 47.9 miles. The average savings for a rental car ride compared to a cab is $72.80 per ride. CMA met with the Regional Rideshare committee on May 21st and the CMA Association on May 29th to obtain input on combining CMA's GRH program into a regional program.

Truck Demand Model – A field data collection team, Quality Counts, began collecting data on freeways after receiving the encroachment permit from Caltrans on . Data collection is expected to be completed by the third week of June. The consultants are reviewing PeMS database for historical truck counts which will be useful in supplementing and also comparing with the counts to assess the likely impact to the counts due to the current economy. A database with PeMS data and actual truck counts will be developed and presented to the Task Force at their next meeting. June Task Force meeting is canceled as the project is still primarily in data collection stage. The next Task Force meeting is scheduled for July 16, 2009 at 10:00 a.m.

Update on Climate Action Activities - As follow up to the December 2008 CMA Board retreat, staff prepared draft Climate Action priorities as well as identified ways to strengthen the Land Use Analysis Program and Transportation Demand Management elements of the CMP to address climate change. The Board reviewed and approved this information at its May 2009 meeting. A Climate Action Workshop jointly hosted by the ACCMA, ACTIA and Supervisor Haggerty's office was held on May 13, 2009. The next meeting will be held on July 8, 2009 at 10 a.m.

Countywide Transportation Plan/Regional Transportation Plan - The MTC Commission adopted the final RTP at its April meeting. The Countywide Transportation Plan is being revised to be consistent with the RTP and will be presented to ACTAC and the Board for approval at its June meeting.

Environmental Documents/General Plan Amendments Reviewed
Since my last report, no environmental documents, notices of preparation or general plan amendments have been received or reviewed.

CMA Board and Committee Meeting Dates
Board meetings will be at 3:30 p.m. in the ACTIA offices. Administration & Legislation Committee meetings will be at 11 a.m. in the CMA offices in Oakland unless otherwise noted. Plans & Programs Committee meetings will be at 12 noon in the CMA offices in Oakland unless otherwise noted.

CMA Board	Plans & Programs	Administration & Legislation
Jul 23, 2009	Jul 13, 2009	Jul 13, 2009
Aug 2009 – no meeting scheduled	Aug 2009 – no meeting scheduled	Aug 2009 – no meeting scheduled
September 24, 2009	September 14, 2009	September 14, 2009
October 22, 2009	October 12, 2009	October 12, 2009

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Suter▪Wallauch▪Corbett
& Associates
Government Relations

June 16, 2009

TO: Dennis Fay, Executive Director
Alameda County Congestion Management Agency

Christine Monsen, Executive Director
Alameda County Transportation Improvement Authority

FR: Suter, Wallauch, Corbett & Associates

RE: Legislative Update

Fiscal Update: While the Conference Committee rejected the proposal to barrow local property tax funds, the Prop 1A loan is definitely NOT off the table! The rumor dujour is to replace the gas tax raid with the Prop 1A loan. This makes no sense for the state to do this because it has to pay back the Prop 1A loan. The Governor's latest unofficial proposal is to privatize the state prisons to save $1 billion that he says can be put back into programs. The following are some of the crisis issues that arise on a daily basis:

- The deficit is pegged at $24 billion this week, as the Controller reported another $800 million shortfall in income tax projections.
- In another announcement yesterday, the Governor sent a letter to Controller Chiang stating that he would not issue RAWs under any circumstances.
- Governor does intend to issue RANS to fill the short-term gap, but that can't be done without a balanced budget.
- There's a $500 million payment on the last bonds due on August 3, which the Treasurer must prepare for by mid July
- Because of the latest revenue shortfall, Controller Chiang says the state will run out of money the last week in June or first wk July, rather than later in the month
- Most big decisions are left to the Big Five, although most of the committee's actions to cut programs will probably stand.
- There is still effort to push for the nickel per drink fee to pay for drug related programs and expenses, and a new gas tax that would be used for debt service instead of ripping off local gas tax funds and other transportation programs. The Governor has stated he would not consider any new taxes or fees. The drink and gas revenues would be classified as "fees", which can be passed by a majority vote.
- Gov said he would veto any budget bill sent to him that doesn't solve the whole $24 billion problem.

Conference Committee Actions: The Budget Conference Committee spent several hours today and yesterday completing its work on the Governor's May Revision proposals. The Conferees started their actions with local government issues, dashing through their

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decisions without a great deal of debate. They did, however, bemoan the difficulty of the choices before them, particularly the inability to provide funding for public transit and the raid of local gas tax revenue. The decisions were mostly along party-line votes, with Republicans calling for taking larger savings such as eliminating the entire Healthy Families Program, while the Democrats proposed smaller cuts, which their colleagues rejected as insufficient. The Committee took the following actions:

Revenues: After a lengthy debate the Committee adopted on a party line vote a package of tax increases. These included a package of tax enforcement and revenue acceleration measures, as well as an oil severance tax, the repeal of most of the corporate tax breaks adopted in the February Budget, and a $1.50 per pack cigarette excise tax. At the hearing the representation from the Department of Finance reiterated that the Governor would not sign new revenue bills.

Local Government

- Rejected the Governor's proposal to borrow $1.982 billion from local governments through the suspension of Proposition 1A of 2004.
- Rejected the Governor's proposal to defer payment for and suspend 32 local mandates. Instead, the Committee adopted an alternative proposed by the Legislative Analyst (LAO). It does not suspend Brown Act requirements, but it does reduce the time animal shelters must hold animals prior to euthanization from six to three days. The alternative is available at: http://lao.ca.gov/handouts/state_admin/2009/Non_Education_Mandates_06_11_09.pdf
- Suspended the Williamson Act Open Space Subventions paid to local governments for a $34.7 million savings.
- Approved May Revision placeholder trailer bill language to provide a statutory fix for the 2008-09 Redevelopment Agency shift to ERAF of $350 million.

Transportation

- **Transit Spill over funds:** After several members made statements that this is a bad decision that they are forced to make due the state's fiscal situation, the Conference Committee unanimously approved diverting $336 million in additional spill over revenue to the general fund.
- **Reallocation of Transit Revenue:** In February the Legislature diverted the "base" revenue in the Public Transportation Account to home-to-school transportation. Yesterday, the Committee unanimously agreed to transfer these funds away from yellow school bus service to the general fund.
- **Local Excise Tax Revenue:** The Committee agreed to divert $1.7 billion in gasoline excise tax revenue from the cities and counties over the next two years. The funds will be used to pay for transportation bond debt service. The proposal would take $986 million in 2009-10 and $750 million in 2010-11. In addition, the Committee agreed to divert $135 million from the State Highway Account to debt service payments.
- **Prop 42 Suspension:** The Committee unanimously rejected the LAO's proposal to suspend Prop 42 payments.

- **Local Airport Grants:** The Committee agreed to suspend payment of $4 million in local airport grants.
- **Public-Private Partnerships:** On a party line vote the Committee approved $9 million in funding to implement the authority to enter into public-private partnerships contracts for transportation projects as provided in SB 4 XX that was enacted in February. The action include budget bill and trailer bill language that essentially provide the CTC with oversight in implementing this program.
- **Capital Outlay Staff:** The Committee unanimously approved a $13 million reduction in the Caltrans capital outlay support staff budget. This reduction is split with 90% of the cut coming from state staff and 10% from contracted workload.
- **Prop 1B – Local Street & Road Funds**: The Committee approved appropriating the remaining $700 million in Prop 1B bond that are dedicated to local street and road projects. The action includes budget bill language that will allow cities and counties additional time to spend these funds and prior appropriations.
- **High Speed Rail Funding:** The Committee agreed on a split vote to appropriate $139 million in High Speed Rail bond funds to the High Speed Rail Authority to continue environmental work for the project. The action includes budget bill language that requires to the Authority to complete its updated business plan in order to receive the entire amount.

Resources

- Approved $113 million in ARRA funding to provide loans, grants, technical assistance and support for commercially available energy efficiency and renewable energy technologies. The projects will focus on improving commercial and residential building energy efficiency and promoting green workforce development.
- Adopted the Governor's proposal to impose an Emergency Response Initiative fee of 2.8% on fire insurance statewide to be used for firefighters and equipment.
- Adopted the Legislative Analyst's proposal for a State Responsibility Area fee on direct beneficiaries of fire services to generate $76 million.
- Adopted elimination of General Fund support for state parks contingent on an additional "Vehicle Park Pass" surcharge of $15 imposed on each vehicle registered in the state, which would save $546 million in GF.

Bills	Subject	Status	Client - Position
AB 338 **(Ma)** Transit village developments: infrastructure financing.	Existing law authorizes a city or county to create a transit village plan for a transit village development district. A transit village plan is required to include all land within not less than 1/4 mile of the exterior boundary of the parcel on which is located a transit station, as defined. A legislative body is authorized to create an infrastructure financing district, adopt an infrastructure financing plan, and issue bonds, for which only the district is liable, to finance specified public facilities, upon voter approval. This bill would recast the area included in a transit village plan to include all land within not more than 1/2 mile of the main entrance of a transit station. The requirement of voter approval for the formation of an infrastructure financing district, adoption of an infrastructure financing plan, and an issuance of bonds for the purpose of developing and financing a transit facility, as defined, would be eliminated. A transit village plan financed by these bonds would be required to include specified demonstrable public benefits regarding housing, replacement dwelling units at an affordable housing cost when specified dwelling units are destroyed or removed, and a provision that at least 20% of all revenues derived from the property tax increment be dedicated to increase, improve, and preserve the transit village district's supply of affordable housing, as defined. The bill also would make technical, nonsubstantive changes. (A-05/11/2009)	SENATE L. GOV.	ACTIA-Watch CMA-Watch MTC-Support & Seek Amendment
AB 468 **(Hayashi)** Public Employees' Medical and Hospital Care Act: employer contributions.	Would require the employer contribution for postretirement health benefit coverage for an annuitant of ACTIA to be based on the annuitant's completed years of service credited with the contracting agency at retirement. This bill would prohibit the contracting agency from paying any employer contribution for the first 5 years of the credited service, as defined. The bill would require the contracting agency to pay an employer contribution of 50% after the employee had 5 years of service with the contracting agency and that amount would be increased by 5% per year thereafter, with 100% of the portion of the cost being paid for by the contracting agency when the annuitant is credited service of 15 years or more. The bill would require that the employer contribution with respect to each annuitant be adjusted by the employer each year, but would prohibit the contribution from exceeding 100% of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone. This bill contains other related provisions. (I-02/24/2009)	SENATE P.E. & R.	ACTIA – Sponsor CMA – Support MTC-None
AB 497 **(Block)** Vehicles: high-occupancy vehicle lanes: used by physicians.	Would authorize the Department of Transportation and local authorities to also permit exclusive or preferential use of high-occupancy vehicle lanes by a vehicle driven by a physician if the vehicle is driven by a physician in response to an emergency call and the vehicle displays the insignia approved by the Department of the California Highway Patrol. The exemption from certain speed limit requirements would not apply to the use of an HOV lane by a physician under this provision. This	SENATE T. & H.	ACTIA – Oppose CMA – Oppose MTC-Oppose

	bill contains other related provisions and other existing laws. (A-05/14/2009)		
AB 619 **(Blumenfield)** Transportation projects: federal funds: delays.	Would require the department to notify the Legislature within 30 days of making a determination that a project, including a project designated in the National Corridor Infrastructure Improvement Program, will be delayed beyond its scheduled completion date due to state cash flow or other funding issues, if the delay places at risk federal funds, including funds earmarked for the project. (I-02/25/2009)	SENATE T. & H.	ACTIA – Watch CMA – Watch MTC-None
AB 652 **(Skinner)** Vehicles: vehicle length limitation.	Would authorize the Alameda-Contra Costa Transit District to install folding devices attached to the front of its buses that are designed and used exclusively for transporting bicycles as long as those devices meet certain requirements, including, but not limited to, extending not more than 40 inches from the front of the bus when fully deployed, and that the handlebars of the bicycles being transported extend not more than 46 inches from the front of the bus. The bill would require that if Alameda-Contra Costa Transit District installs the bicycle racks, it would be required to report to the Assembly Committee on Transportation and the Senate Committee on Transportation and Housing on or before December 31, 2014, regarding safety issues and mobility improvements. This bill contains other related provisions. (A-06/15/2009)	SENATE THIRD READING	ACTIA – Support CMA – Support MTC-None
AB 670 **(Berryhill, Bill)** Vehicles: high-occupancy vehicle lanes: veterans.	Would authorize the Department of Transportation and local authorities to permit exclusive or preferential use of high-occupancy vehicle lanes to be used by a vehicle driven by a veteran or active duty member of the United States Armed Forces, regardless of the number of passengers in the vehicle or the type of vehicle, provided that the vehicle is driven by the veteran or active duty member and the vehicle displays an insigne approved by the Department of Motor Vehicles. The bill would also state that this provision would only apply if the Director of Transportation determines that the application would not subject the state to a loss in federal aid for highways. (I-02/25/2009)	ASSEMBLY 2 YEAR	ACTIA-Oppose CMA – Oppose MTC-Oppose
AB 672 **(Bass)** Transportation: bond-funded projects: letter of no prejudice.	Would authorize a regional or local agency that is a lead agency for a project or project component for which bond funding has been programmed or otherwise approved by the administrative agency or is otherwise targeted to be available, as specified , to apply to the administrative agency for a letter of no prejudice that would make the regional or local agency eligible to be subsequently reimbursed from bond funds for expenditures of funds under its control for the project or project component under certain conditions, as specified. This bill contains other related provisions and other existing laws. (A-06/02/2009)	SENATE RLS.	ACTIA - Support and Seek CMA-Watch MTC-Support
AB 729 **(Evans)** Public contracts:	Would instead repeal these provisions on January 1, 2015. Because the bill would expand the crime of perjury, it would impose a state-mandated local program. This bill contains other related provisions and other existing laws. (A-04/22/2009)	SENATE T. & H.	ACTIA-Watch CMA-Watch

transit design-build contracts.			MTC-None
AB 744 (Torrico) Transportation: toll lanes: Express Lane Network.	Would authorize the Bay Area Toll Authority to acquire, administer, and operate a Bay Area Express Lane Network on state highways within the 9 Bay Area counties pursuant to a development plan recommended by the Bay Area Express Lane Network Project Oversight Committee, which the authority would be required to establish. The bill would authorize the authority to establish the fee structure for use of the express lanes and would require a public hearing in that regard. The bill would authorize the authority to determine the types of vehicles that may use the lanes. The bill would provide for agreements between the authority and the Department of Transportation and the Department of the California Highway Patrol. The bill would require revenues from the express lanes to be deposited in the Bay Area Express Lane Network Account, which the authority would be required to create. The bill would authorize the authority to issue revenue bonds for the express lane program. The bill would specify the use of revenues in the account, including the net revenues remaining after expenses and obligations, including revenue bond obligations, for the express lane program are satisfied. The bill would provide for certain payments by the authority to the Department of Transportation and the Department of the California Highway Patrol relative to their responsibilities with regard to the express lane program, and would continuously appropriate the amount of those payments to those agencies for those purposes. The bill would require the Sunol Smart Carpool Lane Joint Powers Authority, the Alameda County Congestion Management Agency, and the Santa Clara Valley Transportation Authority to enter into agreements with the Bay Area Toll Authority by January 1, 2011, to provide for the transfer of their rights and obligations relative to HOT lane projects to the Bay Area Toll Authority. The bill would enact other related provisions. This bill contains other related provisions and other existing laws. (A-06/01/2009)	SENATE RLS.	ACTIA - Support In Concept CMA - Support In Concept MTC-Sponsor
AB 798 (Nava) California Transportation Financing Authority: toll facilities.	Would create the California Transportation Financing Authority with specified powers and duties relative to issuance of bonds to fund transportation projects to be backed, in whole or in part, by various revenue streams of transportation funds, and toll revenues under certain conditions, in order to increase the construction of new capacity or improvements for the state transportation system consistent with specified goals. The bill would set forth the requirements for a project sponsor to obtain bond funding from the authority, would allow the authority to approve the imposition and collection of tolls on a proposed project under certain conditions, and would require the authority to report to the California Transportation Commission annually beginning June 30, 2011. The bill would create the California Transportation Financing Authority Fund, which would be continuously appropriated for these purposes. The bill would enact other related provisions. This bill contains other	SENATE RLS.	ACTIA - Support and Seek Amendments CMA - Support and Seek Amendments MTC-None

	related provisions and other existing laws. (I-02/26/2009)		
AB 1072 **(Eng)** Public Transportation Modernization, Improvement, and Service Enhancement Account.	Would apply these provisions to funds appropriated for these purposes from the PTMISEA by the Budget Act of 2009 and subsequent fiscal years and would make other conforming changes. The bill would require eligible project sponsors to provide the Department of Transportation with project descriptions for projects they plan to fund with PTMISEA funds yet to be appropriated for the duration of the PTMISEA program. The bill would authorize a project sponsor to use an allocation in a subsequent fiscal year in order to complete projects that were approved in a previous fiscal year. The bill would authorize a project sponsor, in a particular fiscal year, to loan its allocation to another project sponsor with an identified eligible project under terms and conditions approved by the department. The bill would delete the inoperative and repeal dates, thereby extending the operation of these provisions indefinitely. This bill contains other related provisions. (A-05/05/2009)	SENATE T. & H.	ACTIA-Watch CMA-Watch MTC-Support
AB 1175 **(Torlakson)** Toll facilities.	This bill would generally authorize the Bay Area Toll Authority to submit a regional measure containing a toll increase to the voters of those counties for approval along with a statement of the projects and programs to be undertaken with the increased toll revenues. The bill would require the projects and programs to consist of infrastructure projects, the acquisition of transit vehicles, transit operating assistance, and other improvement projects intended to reduce congestion and improve travel options in the bridge and associated transportation corridors. The bill would require the boards of supervisors of these counties to call a special election, which may be consolidated with a general or primary election, upon the request of the authority, and would require the authority to reimburse the counties from bridge toll revenues for the incremental cost of submitting the regional measure to the voters. (A-06/01/2009)	SENATE RLS.	ACTIA-Support CMA-Support MTC-Sponsor
AB 1186 **(Blumenfield)** Employee parking.	Would require a lessor of a nonresidential building, located within such an air basin that offers parking to tenants of the building to list the parking costs as a separate line item in all lease agreements that are entered into, or renewed, on or after January 1, 2011. The bill would make this requirement applicable only to the lessor of a nonresidential building that enters into, or renews, a lease agreement that provides occupancy for 50 or more persons. (A-05/28/2009)	SENATE E.Q.	ACTIA – Watch CMA – Watch MTC-None
AB 1386 **(Hayashi)** State highways.	Would modify the restriction limiting use of revenues from excess property sales to state highway purposes applicable to State Highway Route 238 by authorizing those revenues to be used for any highway purpose. This bill would require revenues from	SENATE T. & H.	ACTIA – Support CMA – Support

	excess property sales for State Highway Route 238 and State Highway Route 84 to be deposited into separate accounts in the Special Deposit Fund, a continuously appropriated fund, to be available for expenditure by local agencies for purposes of an approved local alternative transportation program for the applicable corridor route. The bill would thereby make an appropriation. This bill contains other related provisions and other existing laws. (A-04/22/2009)		MTC-None
AB 1464 **(Smyth)** Transportation: California Bicycle Routes of State or Regional Significance Act.	Would enact the California Bicycle Routes of State or Regional Significance Act, which would authorize the department to establish a process for identifying and promoting bicycle routes of national, state, or regional significance, as specified. The bill would authorize the department to form an advisory committee to help implement the process for identifying and promoting these bicycle routes. The bill would authorize the department to establish a process for organizations, including, but not limited to, local bicycle organizations, private entities, or local or state governmental entities to nominate a route for inclusion in the system of bicycle routes of national, state, or regional significance. The bill would authorize the department to install bicycle route signs identifying these bicycle routes, as specified. The bill would provide that applicants or nominating entities may pay the cost for bicycle route signs, as determined by the department. (A-06/15/2009)	SENATE T. & H.	ACTIA – Support CMA-Watch MTC-None
AB 1500 **(Lieu)** High-occupancy lanes: single occupancy vehicles: sunset date.	Would extend the date, to January 1, 2016, that specified low-emission vehicles can use high-occupancy lanes, the department can issue low-emission decals or other identifiers, and that illegal use of a department-issued decal on a low-emission vehicle is considered a misdemeanor, creating a state-mandated local program. This bill contains other related provisions and other existing laws. (A-06/02/2009)	SENATE RLS.	ACTIA-Oppose CMA – Oppose MTC-Oppose
AB 1502 **(Eng)** Vehicles: HOV lanes.	Would revise that provision to provide that it shall remain in effect until January 1, 2017, or until the Secretary of State receives a specified notice, except that with respect to a hybrid or alternative fuel vehicle the provision would be operative only until January 1, 2011, or until the Secretary of State receives the specified notice. (I-02/27/2009)	ASSEMBLY 2 YEAR	ACTIA-Oppose CMA – Oppose MTC-None
ACA 9 **(Huffman)** Local government bonds: special taxes: voter approval.	Would create an additional exception to the 1% limit for a rate imposed by a city, county, city and county, or special district to service bonded indebtedness, incurred to fund specified public improvements, facilities or buildings, and housing, and related costs, that is approved by 55% of the voters of the city, county, city and county, or special district, as applicable. This additional exception would apply only if the proposition approved by the voters results in bonded indebtedness that includes specified accountability requirements. This bill contains other related provisions and	ASSEMBLY REV. & TAX	ACTIA – Support CMA – Support MTC-None

	other existing laws. (A-04/27/2009)		
ACA 15 **(Arambula)** Local government transportation projects: special taxes: voter approval.	Would alternatively condition the imposition, extension, or increase of a special tax by a local government for the purpose of providing funding for local transportation projects upon the approval of 55% of its voters voting on the proposition. The measure would also make conforming and technical, nonsubstantive changes. (I-03/10/2009)	ASSEMBLY INACTIVE FILE	ACTIA – Support CMA – Support MTC-None
SB 205 **(Hancock)** Traffic congestion: motor vehicle registration fees.	Would authorize a countywide transportation planning agency, by a majority vote of the agency's board, to impose an annual fee of up to $10 on motor vehicles registered within the county for programs and projects for certain purposes. The bill would require voter approval of the measure. The bill would require the department, if requested, to collect the additional fee and distribute the net revenues to the agency, after deduction of specified costs, and would limit the agency's administrative costs to not more than 5% of the distributed fees. The bill would require that the fees collected may only be used to pay for programs and projects bearing a relationship or benefit to the owners of motor vehicles paying the fee and are consistent with a regional transportation plan , and would require the agency's board to make a specified finding of fact in that regard. The bill would require the governing board of the countywide transportation planning agency to adopt a specified expenditure plan. (A-04/14/2009)	ASSEMBLY DESK	ACTIA – Support CMA – Sponsor MTC-None
SB 391 **(Liu)** California Transportation Plan.	Would require the department to update the California Transportation Plan by December 31, 2015, and every 5 years thereafter. The bill would require the plan to address how the state will achieve maximum feasible emissions reductions in order to attain a statewide reduction of greenhouse gas emissions to 1990 levels by 2020 and 80% below 1990 levels by 2050. The bill would require the plan to identify the statewide integrated multimodal transportation system needed to achieve these results. The bill would require the department, by December 31, 2012, to submit to the California Transportation Commission and specified legislative committee chairs an interim report providing specified information regarding sustainable communities strategies and alternative planning strategies, including an assessment of how their implementation will influence the configuration of the statewide integrated multimodal transportation system. The bill would also specify certain subject areas to be considered in the plan for the movement of people and freight. The bill would require the department to consult with and coordinate its planning activities with specified entities and to provide an opportunity for public input. The bill would make additional legislative findings and declarations and require the plan to be consistent with that statement of legislative intent. (A-05/04/2009)	ASSEMBLY DESK	ACTIA – Watch CMA – Watch MTC-None

SB 406 **(DeSaulnier)** Land use: environmental quality.	Would change the designated membership, as specified, of the Planning Advisory and Assistance Council and would require that the council work with the Strategic Growth Council, regional agencies, and cities and counties to facilitate the development and implementation of sustainable community strategies or regional blueprint projects, as specified. The bill would also require the council to report to the Legislature on specified regional performance measures and on the manner in which state agencies are implementing the 5-year infrastructure plan, as specified. The bill would authorize a municipal planning organization, as defined, a council of governments, as defined, or a county transportation commission and a subregional council of governments jointly preparing a subregional sustainable communities strategy to adopt a resolution to impose a surcharge of $1 or $2 on motor vehicles registered to an owner with an address in the entity's or entities' jurisdiction. The surcharge would be required to apply to an original vehicle registration occurring on or after 6 months following the adoption of the resolution, as specified, and to a renewal of registration with an expiration date on or after that 6-month period. The surcharge would be collected by the Department of Motor Vehicles and, after deducting its administrative costs, would be transmitted to the entity or entities imposing the surcharge. The bill would require the metropolitan planning organization, the council of governments, or the county transportation commission and the subregional council of governments jointly preparing a subregional sustainable communities strategy to contract with the department to pay for the initial setup and programming costs identified by the department, but would also require these costs to be reimbursed from surcharge revenues collected. The bill would require that the surcharge revenue that exceeds $1 in specified jurisdictions to be used to provide grants to cities, counties, and cities and counties for planning and projects related to the implementation of a regional blueprint plan, and would specify that 5% of all the surcharge revenue be transmitted to the council for performance of specified functions. The bill would provide that the council is to perform specified new functions only when the council has received sufficient revenue from this source. (A-05/28/2009)	ASSEMBLY L. GOV.	ACTIA-Watch CMA - Support If Amended MTC-None
SB 425 **(Simitian)** Personal and corporate income taxes: deductions: parking: credits: ridesharing expenses.	Would disallow a deduction for expenses of specified employers for parking subsidies unless all employees provided with a parking subsidy are offered a parking cash-out program in accordance with a specified statute. This bill contains other related provisions and other existing laws. (A-06/11/2009)	SENATE REV. & TAX SUSPENSE FILE Likely 2 Yr Bill	ACTIA-Watch CMA-Watch MTC-Support & Seek Amendments
SB 535	Would revise that provision to provide that it shall remain in effect only until the	ASSEMBLY TRANS.	ACTIA-Oppose

(Yee) Vehicles: High-occupancy vehicle lanes.	Secretary of State receives that specified notice. However, with respect to those vehicles, other than a vehicle that meets California's super ultra-low exhaust emission standard and the federal inherently low-emission evaporative emission standard, this provision shall be operative only until January 1, 2011, or only until the Secretary of State receives that specified notice, whichever occurs first. (A-05/06/2009)		CMA-Oppose MTC-Oppose
SB 575 **(Steinberg)** Local planning: housing element.	Would require all other local governments to adopt the 5th revision of the housing element 5 years after June 30, 2006, and would specify the schedule for all local governments to adopt subsequent revisions of the housing element after the 5th revision, as specified. The bill would authorize the Department of Housing and Community Development to adjust the deadlines for adoption of the 6th and subsequent revisions of the housing element so that the deadlines occur 18 months after adoption of the applicable regional transportation plan, provided that the planning period, as defined, for the housing element is not less than 90 months and not more than 102 months. By adding to the duties of specified local governments, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws. (A-05/04/2009)	ASSEMBLY DESK	ACTIA-Watch CMA-Watch MTC-None
SB 728 **(Lowenthal)** Air pollution: parking cash-out program.	Would authorize the State Air Resources Board to impose a civil penalty for a violation of this requirement. The bill would also authorize a city, county, and air pollution control district or air quality management district to adopt a penalty or other mechanism to ensure compliance. The bill would authorize the imposition of a penalty by the state board or the local agency, but not both. (A-04/27/2009)	ASSEMBLY TRANS.	ACTIA-Watch CMA – Watch MTC-Support
SB 734 **(Lowenthal)** Transportation.	Would require any interest or other return earned by a city or county from investment of bond funds received under these provisions to be expended or reimbursed under the same conditions as are applicable to the bond funds themselves. This bill contains other related provisions and other existing laws. (I-02/27/2009)	ASSEMBLY TRANS.	ACTIA – Watch CMA – Watch MTC-None

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CJ strategies LLC

Attachment B
Agenda Item 5.0
June 25, 2009

MEMORANDUM

TO: Dennis Fay
Alameda County Congestion Management Agency
FROM: CJ Strategies
RE: Legislative Update
DATE: June 16, 2009

June is a busy month with both the House and Senate Appropriations subcommittees focusing on FY10 markups and the House Transportation and Infrastructure Committee also planning to mark up its surface transportation authorization bill. In addition, health reform will take priority in both chambers and the full House may try to move its climate change legislation.

Surface Transportation Reauthorization

The T&I Committee has announced it will release a white paper outlining plans for the new surface transportation authorization bill tomorrow – June 17. We are hearing the Highways and Transit Subcommittee will hold a mark up on June 24, and the full committee markup will occur after the July 4 recess. The bill would go to the floor during July.

We have heard the Ways and Means Committee could hold a hearing on infrastructure financing as early as June 25.

Regardless, the Highway Trust Fund will face a shortfall this summer. Congress will have to transfer $5 to $7 billion in order for the fund to stay solvent.

Climate Change

The House Energy and Commerce Committee approved its bill before the Memorial Day recess. The bill was referred to eight other committees besides Energy and Commerce. Details on how the legislation will make its way through every one of those committees remain unclear since several of the committee's leaders have previously said they did not know how they would approach climate legislation. However, Speaker Pelosi gave the various committees a deadline of June 19 for committees to act or risk losing their partial jurisdiction.

Senator Barbara Boxer stated last week that she would like the Environment and Public Works Committee to mark up legislation before August. Her committee would use the House bill as a starting point.

Partnership for Sustainable Communities

Suite 500 • 525 Ninth Street, NW • Washington, DC 20004 •
202-465-3000 • Fax 202-347-3664

The Transportation Department, HUD and EPA announced an interagency partnership to develop livable communities and coordinate federal transportation and housing investments. The six livability principles are as follows:

1. Provide more transportation choices.
Develop safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health.

2. Promote equitable, affordable housing.
Expand location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.

3. Enhance economic competitiveness.
Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.

4. Support existing communities.
Target federal funding toward existing communities – through such strategies as transit-oriented, mixed-use development and land recycling – to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.

5. Coordinate policies and leverage investment.
Align federal policies and funding to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.

6. Value communities and neighborhoods.
Enhance the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods – rural, urban or suburban.

Subject: **Fw: Defying Obama, Oberstar Pushes Highway Bill**
Date: Thursday, June 18, 2009 4:39 AM
From: Copeland, Jim <jcopeland@cjstrat.com>
To: "Dennis R. Fay" <DFay@accma.ca.gov>
Conversation: Defying Obama, Oberstar Pushes Highway Bill

----- Original Message -----
From: Young, John
To: All
Sent: Thu Jun 18 06:07:14 2009
Subject: Defying Obama, Oberstar Pushes Highway Bill

Defying Obama, Oberstar Pushes Highway Bill

By Colby Itkowitz, CQ Staff

The Obama administration and House authorizers are on a collision course over road and transit funding, with Transportation and Infrastructure Chairman James L. Oberstar rejecting as "unacceptable" a White House proposal to postpone a new highway bill for 18 months.

Instead, the Minnesota Democrat plans on Thursday to roll out his blueprint for a six-year, $450 billion bill designed to overhaul the Department of Transportation, expedite projects, coordinate planning for different modes of transportation and tie federal funds to measurable benchmarks.

"Delay is unacceptable," said Oberstar, dismissing a proposal by Transportation Secretary Ray LaHood on Wednesday to enact a short-term, 18-month reauthorization and use the time to pursue "critical reforms" and replenish the Highway Trust Fund. Oberstar said he was committed to clearing a bill for the president's signature before the current authorization (PL 109-59) expires Sept. 30.

"This is a moment to move," he said.

Oberstar said he planned to push ahead with a subcommittee markup of his Surface Transportation Assistance Act on June 24.

But he faces more than White House opposition in pursuing his agenda: Late Wednesday, Senate Environment and Public Works Chairwoman Barbara Boxer, D-Calif., endorsed the administration's call for the 18-month reauthorization.

"The White House proposal to replenish the trust fund until 2011 will keep the recovery and job creation moving forward and give us the necessary time to pass a more comprehensive multiyear transportation authorization bill with stable and reliable funding sources," said Boxer, whose panel is responsible for marking up a highway bill in the Senate.

LaHood said in an interview that finishing the long-term bill on Oberstar's timeline is impossible, since Congress is already trying to act on health care and global warming legislation and the appropriations bills before the August recess.

Highlights of House Chairman's Highway Bill Plan: Click Here to View Chart <javascript:startWin ('http://www.cq.com/graphics/monitor/2009/06/17/mon20090617-17transportation-print-cht.pdf', +'newWin')>

"The thought process is that we've agreed to find the money and pay for the trust fund void or gap, but we also know that we couldn't really get to an authorization bill by the end of the fiscal year," LaHood said. The Highway Trust Fund is projected to run a shortfall of as much as $7 billion by the end of the summer.

LaHood said the 18-month extension would be an alternative to "stringing Congress along with extensions every three months." The 2006 highway law was passed almost two years after the previous authorization (PL 105-178) expired, requiring 12 temporary extensions.

"I recognize that there will be concerns raised about this approach," LaHood said. "However, with the reality of our fiscal environment and the critical demand to address our infrastructure investments in a smarter, more focused approach, we should not rush legislation."

Oberstar's Blueprint

Oberstar's proposal would fundamentally overhaul surface transportation programs, drawing on many of the recommendations by a federally mandated Surface Transportation Policy and Revenue Commission as well as White House policy priorities.

His plan would create a new rail section to promote President Obama's proposal of a high-speed passenger rail network. Also at the urging of the administration, Oberstar would create an Office of Livability in the Transportation Department, to link transportation planning to housing and business development.

Under the plan, a National Infrastructure Bank, similar to an idea Obama pushed on the campaign trail, would fund transportation projects of national significance.

Oberstar's plan would overhaul the Transportation Department's inner workings by creating a position of undersecretary of intermodalism. That undersecretary would help coordinate planning by agencies responsible for different methods of transportation, including the aviation, railroad, transit, highway and maritime administrations, along with Amtrak, the Coast Guard and the Army Corps of Engineers.

"It's an opportunity to restructure all of transportation," Oberstar said at a briefing Wednesday. "Those modal administrators have not done so much as what we're doing here — sat around a table, had coffee together — in 40 years. It's time to do that."

The bill also would require major metropolitan areas to produce six-year plans to increase mobility and reduce congestion. It would require states to create benchmarks linked to funding and to produce annual reports on progress.

The plan would overhaul the federal program for new transit projects, replacing a complex cost-effectiveness index established by the George W. Bush administration with a simpler review process.

Transit projects also would get a larger federal funding match under the plan. Currently, a 20 percent state and local investment in new highway projects is matched by 80 percent in federal funding. Transit projects, however, receive only a 50 percent federal match. Under Oberstar's plan, transit projects also would qualify for an 80 percent federal match.

To expedite completion of projects, Oberstar would create an office in the Transportation Department to coordinate reviews by various agencies. Agencies such as the EPA or the National Trust for Historic Preservation would have to signal at the start of a project an interest in reviewing it.

One thing conspicuously missing from the Oberstar plan is a funding method. That would be up to the Ways and Means Committee, which would write the revenue title of the bill. The committee is scheduled to hold a hearing on the matter June 25.

Study commissions have recommended a short-term increase in the motor fuels tax, with an eventual switch to a system that taxes motorists based on the number of miles driven. The Obama administration has rejected the mileage-based tax and ruled out an increase in the gasoline tax during the recession. LaHood on Wednesday reiterated the opposition to raising the gasoline tax.

Oberstar proposed increasing the gasoline tax, but only after two quarters of positive economic growth, then indexing it to inflation.

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COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

THE SURFACE TRANSPORTATION AUTHORIZATION ACT OF 2009

A BLUEPRINT FOR INVESTMENT AND REFORM
EXECUTIVE SUMMARY

Presented by

Chairman James L. Oberstar, Ranking Member John L. Mica,
Chairman Peter A. DeFazio, and Ranking Member John J. Duncan, Jr.

June 18, 2009

THE SURFACE TRANSPORTATION AUTHORIZATION ACT OF 2009
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES

A BLUEPRINT FOR INVESTMENT AND REFORM

Presented by Chairman James L. Oberstar, Ranking Member John L. Mica, Chairman Peter A. DeFazio, and Ranking Member John J. Duncan, Jr.

June 18, 2009

EXECUTIVE SUMMARY

America's surface transportation network is essential to the quality of life of our citizens and the productivity of the nation's economy. This expansive, national network provides all Americans – from those living in the largest cities to the smallest towns – with extraordinary freedom of mobility and unprecedented opportunity.

The Costs of Decades of Underinvestment

Regrettably, our transportation system, once the envy of the world, is losing its battle against time, growth, weather, and wear. The system is suffering from decades of underinvestment, and the costs are staggering:

- Each year, 42,500 people are killed and 2.5 million people are seriously injured in more than six million motor vehicle crashes, which are now the leading cause of death of children and young adults ages three to 34.
- Congestion is crippling our major cities and even our small towns, at a cost of more than $78 billion a year, causing hardship for drivers and increasing costs and inefficiencies for America's businesses.
- Accidents and traffic delays cost Americans more than $365 billion a year – $1 billion a day – or $1,200 for every man, woman, and child in the nation.
- The quality of our transportation system is deteriorating: almost 61,000 miles (37 percent) of all lane miles on the National Highway System (NHS) are in poor or fair condition; more than 152,000 bridges – one of every four bridges in the United States – are structurally deficient or functionally obsolete; and more than 32,500 public transit buses and vans have exceeded their useful life. The nation's largest public transit agencies face an $80 billion maintenance backlog to bring their rail systems to a state of good repair and, within the next six years, almost every transit vehicle (55,000 vehicles) in rural America will need to be replaced.
- Since designation of the NHS in 1995, the percentage increase in miles traveled on the NHS has been three times the percentage growth in the system's lane miles.

- As a result of this underinvestment, the total cost of logistics for U.S. companies has increased from 8.8 percent of Gross Domestic Product (GDP) in 2004 to 10.1 percent in 2008 – a $412 billion increase in four short years.

- The transportation system also imposes significant costs on the environment. In the United States, approximately 28 percent of total greenhouse gas emissions, which have been demonstrated to contribute significantly to global climate change, are attributed to the transportation sector. Private vehicles are now the largest contributor to household "carbon footprints", accounting for 55 percent of carbon emissions from U.S. households.

- Unlike other major industrialized nations, Americans have limited transportation choices. The United States has almost no high-speed passenger rail service, even though it is widely recognized that high-speed rail can significantly reduce congestion on our highways and in the air, decrease our dependence on foreign oil, and reduce greenhouse gas emissions. We invest only a fraction of the amounts invested by European and Asian countries in high-speed rail.

Although the U.S. Department of Transportation (DOT) is charged with addressing these enormous challenges, it has not lived up to its original purpose of integrating and implementing transportation policy. Most of DOT's policies are established and administered by separate agencies of the Department, each of which focuses on a single mode of transportation.

Since completion of the Interstate Highway System, our national transportation policy has lacked strategic focus. Although States and metropolitan regions are required to develop long-range transportation plans for highway, transit, and rail investment, there has been no attempt to aggregate these plans and establish a National Transportation Strategic Plan that is intermodal in nature and national in scope.

In addition, Federal transportation programs have no performance metrics. Today, there is no requirement for States, cities, and public transit agencies to develop transportation plans with specific performance objectives, nor does DOT ensure that States are meeting specific performance objectives. DOT and state departments of transportation primarily decide whether projects are eligible for funding, but not whether the projects that are funded actually achieve the expected benefits. Throughout Federal surface transportation programs there is limited transparency, accountability, and oversight.

There are also unnecessarily long delays – more than 10 years for many highway and transit projects – for needed transportation improvements to be planned, approved, and constructed.

Furthermore, the financing mechanism for the programs is in crisis. The Highway Trust Fund (Trust Fund), which finances surface transportation programs, does not have adequate revenues to meet existing commitments made by the Federal Government. If this is not corrected, there will be massive cuts in transportation investments beginning later this year, which will cause crippling job losses, a deepening of the economic recession, and a further deterioration of the assets and performance of the nation's surface transportation system.

A Blueprint for Investment and Reform

Today, we advance a Blueprint for Investment and Reform that will transform Federal surface transportation from an amalgamation of prescriptive programs to a performance-based framework for intermodal transportation investment. The Blueprint is designed to achieve specific national objectives: reduce fatalities and injuries on our nation's highways; unlock the congestion that cripples major cities and the freight transportation network; provide transportation choices for commuters and travelers; limit the adverse effects of transportation on the environment; and promote public health and the livability of our communities.

Specifically, the Surface Transportation Authorization Act of 2009:

- Redefines the Federal role and restructures Federal surface transportation by consolidating or terminating more than <u>75</u> programs;
- Consolidates the majority of highway funding in four, core formula categories designed to bring our highway and bridge systems to a state of good repair; improve highway safety; develop new and improved capacity; and reduce congestion and greenhouse gas emissions and improve air quality;
- Focuses the majority of transit funding in four core categories to bring urban and rural public transit systems to a state of good repair; provide specific funding to restore transit rail systems; provide mobility and access to transit-dependent individuals; and plan, design, and construct new transit lines and intermodal facilities;
- Directs Federal highway safety investments to specific activities demonstrated to reduce fatalities and injuries on our roads;
- Establishes new initiatives to address the crippling congestion in major metropolitan regions, and eliminate bottlenecks in freight transportation;
- Creates a National Transportation Strategic Plan, based on long-range highway, transit, and rail plans developed by States and metropolitan regions, to develop intermodal connectivity of the nation's transportation system and identify projects of national significance;
- Reforms the U.S. Department of Transportation to require intermodal planning and decision-making; ensure that projects are planned and completed in a timely manner; and ensure that DOT programs advance the livability of communities;
- Requires States and local governments to establish transportation plans with specific performance standards; measure their progress annually in meeting these standards; and periodically adjust their plans as necessary to achieve specific objectives;
- Improves the project delivery process by eliminating duplication in documentation and procedures;
- Establishes a new program to finance planning, design, and construction of high-speed rail;

- Creates a National Infrastructure Bank to better leverage limited transportation dollars;

- Provides funding of $450 billion over six years – the minimum amount needed to stop the decline in our surface transportation system, begin to make improvements, and restore and enhance the nation's mobility and economic productivity. The Surface Transportation Authorization Act:

    - Doubles the investment in highway and motor carrier safety to $12.6 billion;

    - Provides $337.4 billion for highway construction investment, including at least $100 billion for Capital Asset Investment to begin to restore the National Highway System (including the Interstate System) and the nation's bridges to a state of good repair; and

    - Provides $87.6 billion from the Mass Transit Account of the Highway Trust Fund and $12.2 billion from the General Fund for public transit investment to restore the nation's public transit systems to a state of good repair, and provide access and transportation choices to all Americans from large cities to small towns;

- Within this $450 billion investment, the Act provides $50 billion for Metropolitan Mobility and Access to unlock the congestion that chokes major metropolitan regions; and $25 billion for Projects of National Significance to enhance U.S. global competitiveness by increasing the focus on goods movement and freight mobility; and

- In addition to this $450 billion investment, the Act provides $50 billion over six years to develop 11 authorized high-speed rail corridors linking major metropolitan regions in the United States. The high-speed rail initiative will provide greater consideration for projects that: encourage intermodal connectivity; produce energy, environmental, and other public benefits; create new jobs; and leverage contributions from state and private sources.

The $450 billion for highway, highway safety, and transit investment over six years is a 38 percent increase above the current funding level ($326 billion). The Surface Transportation Authorization Act also provides an additional $50 billion investment for high-speed rail. Together, this $500 billion investment will **create or sustain approximately six million family-wage jobs**.[1]

In sum, the Surface Transportation Authorization Act of 2009 transforms the nation's surface transportation framework and provides the necessary investment to carry out this vision. This increased investment is accompanied by greater transparency, accountability, oversight, and performance measures to ensure that taxpayer dollars are being spent effectively and in a manner that provides the maximum return on that investment.

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[1] This estimate is based on 2007 Federal Highway Administration data on the correlation between highway infrastructure investment and employment and economic activity, and assumes a 20 percent state or local matching share of project costs. The Federal Highway Administration estimates that $1 billion of Federal investment creates or sustains 34,799 jobs.

THE SURFACE TRANSPORTATION AUTHORIZATION ACT OF 2009
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES

A BLUEPRINT FOR INVESTMENT AND REFORM

*Presented by Chairman James L. Oberstar, Ranking Member John L. Mica,
Chairman Peter A. DeFazio, and Ranking Member John J. Duncan, Jr.*
June 17, 2009

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BLUEPRINT IN BRIEF

THE NEED FOR FUNDAMENTAL REFORM AND INCREASED INVESTMENT

The Federal-Aid Highway Act of 1956 (P.L. 84-627) established formula grant programs to distribute Federal surface transportation funds to States. These programs provided Federal construction aid for specific eligible highway categories (e.g., Interstate, primary, and secondary highways).

The Federal investment provided by the Federal-Aid Highway Act, and its successors, connected communities across the nation to one another, opened new markets to unleash unparalleled economic growth, and improved mobility and quality of life for the nation. However, in the past 50 years, there have been significant economic and demographic changes that could not have been anticipated when the Interstate System was initially designed. Since 1956:

- The U.S. population has almost doubled, increasing from 169 million to 300 million;
- GDP has exploded, increasing from $345 billion to $14.3 trillion;
- Land use, economic development patterns, and migration patterns have changed significantly, leading to an increased dependence on our surface transportation network, particularly highways;
- The most recent National Household Survey found that 87 percent of daily trips involved the use of personal vehicles; and
- The number of passenger vehicles on the nation's roadways has increased 150 percent from 54 million vehicles to 135 million vehicles.

Many segments of the network handle volumes of traffic that greatly exceed their design standards. This increased traffic comes at a time when many highway assets, built in the 1960s and 1970s, are reaching the end of their useful design life, and need to be rebuilt or replaced. Transit assets also suffer from decades of underinvestment, even as public transit ridership rapidly increases across the United States, from the "old rail" cities to new Western towns.

Safety: The Human Toll and Economic Cost

The societal and economic toll of transportation accidents is staggering. Each year, 42,500 people are killed and 2.5 million people are seriously injured in more than six million motor vehicle crashes. Motor vehicle crashes are the leading cause of death for people of every age from three to 34. Every hour, 150 children (under the age of 19) are treated in emergency rooms for crash-related injuries. Each year, the economic cost of motor vehicle crashes to the U.S. economy is $289 billion.

In addition, crashes involving large trucks and buses remain a significant safety concern. In 2007, more than 5,100 people were killed and 101,000 were injured in more than 400,000 motor vehicle crashes involving large trucks and buses. The average cost of a fatal crash involving a large truck is more than $3.6 million.

The Cost of Congestion

In 2005, traffic congestion cost $78.2 billion, including 4.2 billion hours of delay and 2.9 billion gallons of wasted fuel, in our nation's metropolitan areas. The average driver in 28 metropolitan regions experienced 40 or more hours of delay per year. Twenty-seven years ago, only Los Angeles experienced that level of congestion. Families are losing what precious little time they have together because of time spent in traffic on the way to and from work, picking up the kids at day care, or running the endless errands that seem a part of life in today's society.

Congestion is also significantly increasing costs for American businesses. After 17 straight years of decline, the total cost of logistics – the cost of moving goods and services – for U.S. companies began to increase in 2005. Overall, logistics costs have increased from 8.8 percent of GDP in 2004 to 10.1 percent in 2008 – a $412 billion increase in four short years.

This congestion cost can greatly affect businesses' bottom lines. For instance, General Mills spends almost $650 million a year trucking hundreds of millions of cases of food to market. For every one mile per hour reduction in average speed of its shipments, it costs General Mills $2 million of additional logistics costs.

A Deteriorating System

The quality of our transportation system is also deteriorating. Surface transportation assets have limited life spans. Currently, many segments of the nation's transportation infrastructure are reaching or have exceeded their useful design life. Today, almost 61,000 miles (37 percent) of all lane miles on the NHS are in poor or fair condition; more than 152,000 bridges – one of every four bridges in the United States – are structurally deficient or functionally obsolete; and more than 32,500 public transit buses and vans have exceeded their useful life. The nation's largest public transit agencies face an $80 billion maintenance backlog to bring their rail systems to a state of good repair and, within the next six years, almost every transit vehicle (55,000 vehicles) in rural America will need to be replaced. The American Society of Civil Engineers grades our surface transportation system as follows:

Roads	D-
Bridges	C
Transit	D
Rail	C-

The American Society of Civil Engineers estimates that the nation's infrastructure requires an investment of $2.2 trillion over the next five years to bring the infrastructure to a state of good repair.

A major deficiency in our transportation system is the absence of a high-speed rail system. High-speed rail can produce substantial economic benefits, reduce congestion on the highways and in the air, and produce a net reduction in greenhouse gas emissions. The United States has only one rail line that can support high-speed rail, Amtrak's Acela service between Washington, DC, and Boston, Massachusetts. However, even this line cannot operate at high speeds over major segments and operates at an average of 73 miles per hour. By contrast, major European and Asian countries rely substantially on high-speed rail and continue to expand their systems.

In 2008, Congress authorized the development of 11 high-speed rail corridors linking major metropolitan regions throughout the United States. In 2009, at the request of President Barack Obama, Congress provided $8 billion to begin construction of these high-speed rail systems. The Passenger Rail Investment and Improvement Act of 2008 (P.L. 110-432, Division B) and this $8 billion investment are the first serious commitments to high-speed rail in the history of the nation.

However, despite the historic nature of this investment, it pales in comparison to the investments of our global competitors. Earlier this year, China announced that it will invest $730 billion in its railways (including high-speed rail) in the next four years (through the end of 2012). Spain, which opened its first high-speed rail line in 1992, has a network today of more than 1,200 miles of high-speed rail (traveling at 186 miles per hour). By 2020, Spain will invest almost $140 billion to develop a network of 6,200 miles of high-speed rail lines throughout the country.

1956 Policies and 2009 Needs

The transportation programs and policies crafted more than a half-century ago are no longer well-suited to address today's challenges of improving the condition, performance, and safety of our system. With completion of the Interstate Highway System, national transportation policy lost its focus. Today, there are more than 108 individual programs, as well as dozens of set asides and takedowns, that provide Federal surface transportation funding. Overlapping and similar eligibility, transferability of funds, and the lack of transparency, accountability, and oversight make it impossible to determine whether programs are meeting national objectives. The Government Accountability Office (GAO) put it succinctly in a 2008 report: "To some extent, the Federal-aid Highway program functions as a cash transfer, general purpose grant program, not as a tool for pursuing a cohesive national transportation policy."[2]

In addition, our lack of a National Transportation Strategic Plan impedes our ability to replicate the successes of the Interstate Highway System in other transportation programs today. As we move beyond construction of the Interstate, we must develop a new transportation paradigm that is intermodal in nature.

Present and future demands on the nation's intermodal surface transportation network require a bold new vision, greater accountability, and a forward-thinking approach to address these challenges.

[2] GAO, *Restructured Federal Approach Needed for More Focused, Performance-Based, and Sustainable Programs* (2008).

THE CRISIS IN THE HIGHWAY TRUST FUND

If we do not act quickly to authorize and reform Federal transportation programs, we will face a major crisis.

The existing reauthorization act, which is financed by the Highway Trust Fund, expires on September 30, 2009. In the past 30 years, Congress has never completed action on the reauthorization act by the date on which the programs expired. Instead, Congress has extended the programs for short-term periods while action was completed on the long-term reauthorization act. During consideration of the last reauthorization act, Congress extended the programs 12 times prior to enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (P.L. 109-59).

A business-as-usual reauthorization is not acceptable. In the past, during these periods of multiple short-term extensions of the programs, state departments of transportation have slowed investment because of the uncertainty regarding the long-term future of the program, and been unwilling to invest in large, long-term projects until enactment of the reauthorization act. In this time of severe economic recession, the effects of any slowed investment could offset much of the benefits of the increased transportation investment provided under the American Recovery and Reinvestment Act (P.L. 111-5).

This concern for the economic effects of short-term reauthorization extensions is critically compounded by the current financial crisis in the Trust Fund. Prompt Federal action is necessary to stabilize the Trust Fund and restore the confidence of state departments of transportation and the contactor community or many States will not have enough confidence in future financing of the programs to go forward with significant new construction.

According to DOT, the Highway Account of the Trust Fund is running out of cash and may not have enough funding to reimburse States for their Federal highway investments as early as August 2009. The shortfall is projected to be $5 billion to $7 billion by September 2009 and an additional $8 billion to $10 billion in fiscal year 2010. If the Trust Fund runs out of cash, DOT will immediately begin rationing reimbursements to States, creating cash flow problems for States and significant uncertainty for the future of the program.

The current user fees supporting the Trust Fund are completely inadequate to maintain our existing infrastructure. If we continue at existing funding levels, our road surfaces will continue to deteriorate, structurally-deficient bridges will go unrepaired, and congestion will worsen. The mainstay of funding is the 18.3-cent-per-gallon gasoline user fee, which has not been increased since 1993, and produces progressively less revenue as the fuel efficiency of automobiles increases. The current user fees generate only enough revenue to finance a $35.1 billion of Federal highway, highway safety, and public transit investments in fiscal year 2010, which would be a 34 percent cut from this year's $53 billion funding level. Without additional revenues, a six-year surface transportation authorization bill could fund only $236 billion in highway, highway safety, and transit investment – $90 billion less than the current investment level over the next six years ($326 billion). These shortfalls could result in a loss of more than three million good, family-wage construction jobs.

The uncertainty of short-term extensions, Trust Fund cash flow problems, and potential highway, highway safety, and transit funding cuts could each cause significant job losses, and together, may severely deepen the current recession.

It is imperative for Congress to act on the Surface Transportation Authorization Act and establish a sound and sustainable revenue stream to finance the future of surface transportation.

TRANSFORMATIONAL REFORMS IN THE SURFACE TRANSPORTATION AUTHORIZATION ACT

The next surface transportation authorization must affirm the nation's commitment to building and operating an intermodal surface transportation network that can meet the demands of the 21st Century. The Surface Transportation Authorization Act creates a performance-based framework, designed to achieve results with transparency, accountability, and oversight to ensure that goals are met. This Act restructures DOT to implement more effectively the goals and objectives of the Federal surface transportation programs, improve the delivery of critical surface transportation projects, facilitate the utilization of all modal options to address needs, and provide taxpayers with a better, more measurable return on their investment in the nation's infrastructure.

A Clear Federal Role and National Objectives

Existing Federal surface transportation programs prescribe the type of project eligible for funding, but then afford States great discretion to shift funds between programs. The lack of clear Federal priorities and system-wide objectives has made it difficult to understand or identify the Federal role in surface transportation. Many of these Federal programs are ineffective in addressing current transportation challenges requiring solutions that integrate multiple modes of transportation. Further, the various program goals are often unclear and, in some cases, conflicting.

The Surface Transportation Authorization Act will transform the nation's surface transportation policies by clearly defining the role and specific objectives of the Federal Government in providing resources to States to carry out programs. These objectives include:

- Create a National Transportation Strategic Plan;
- Improve the safety of the surface transportation network;
- Bring existing highway and transit facilities and equipment to a state of good repair;
- Facilitate goods movement;
- Improve metropolitan mobility and access;
- Expand rural access and interconnectivity;
- Lessen environmental impacts from the transportation network;
- Improve the project delivery process by eliminating duplication in documentation and procedures;
- Facilitate private investment in the national transportation system that furthers the public interest;
- Ensure that States receive a fair rate of return on their contributions to the Trust Fund;
- Provide transportation choices; and
- Improve the sustainability and livability of communities.

Consolidate and Simplify Programs

To ensure that the national objectives and priorities are best addressed, the Surface Transportation Authorization Act consolidates or terminates more than 75 programs. Most highway funding will be provided under four, core formula categories:

- **Critical Asset Investment** – Consolidates the existing Interstate Maintenance program, National Highway System program, and Highway Bridge program into one streamlined, outcome-based Critical Asset Investment program whose goal is to bring the highways and bridges on the NHS (including the Interstate System) to a state of good repair and maintain that condition.

- **Highway Safety Improvement** – Restructures the Highway Safety Improvement program to focus on reducing motor vehicle crash fatalities and injuries on the nation's highways, grade-crossings, and rural roads by investing in improvements to remove or lessen roadway safety hazards.

- **Surface Transportation** – Provides States with surface transportation funding through a flexible program that enables States and metropolitan regions to address state-specific needs including new highway and transit capacity. Facilitates local decision-making and participation by increasing the role of communities.

- **Congestion Mitigation and Air Quality Improvement (CMAQ)** – Restructures the CMAQ program to fund projects that improve air quality, reduce congestion, and improve public health and the livability of communities.

Similar consolidations are being proposed for programs in the Federal Transit Administration (FTA), National Highway Traffic Safety Administration (NHTSA), and the Federal Motor Carrier Safety Administration (FMCSA). Establishing core categories with specific performance objectives will simplify Federal surface transportation programs, and provide States, metropolitan regions, and public transit agencies with flexibility to identify the best approach to achieve the specific national performance objectives.

Require Performance Standards and Institute Accountability Measures

The Surface Transportation Authorization Act includes program-specific performance standards and measures that will hold funding recipients accountable for their choices on projects and the impact that those choices will have on meeting national objectives. These performance standards include:

- Reducing the number of people killed and injured in motor vehicle crashes;

- Restoring the highway, bridge, and public transit systems to a state of good repair; and

- Ensuring that motor carriers and commercial motor vehicle drivers comply with Federal motor carrier safety laws and regulations.

Many other performance standards will be tailored to the particular challenges of a State or metropolitan area as part of an overall long-term plan for investing surface transportation funds.

Under existing law, States may transfer up to 50 percent of their core highway formula program funds to other programs. This power to transfer funds eliminates the link between Federal goals and the actual investment decisions at state and local levels. The Surface Transportation Authorization Act continues to provide States, cities, and public transit agencies with flexibility in how they choose to meet specific national performance objectives, but it institutes transparency, accountability, and oversight for these grant recipients to ensure that they meet these performance objectives. This approach is critical to transforming Federal surface transportation investment from the existing block grant programs to a performance-based framework.

Expand Mobility and Access for People and Goods

Improving and expanding mobility on the nation's surface transportation system is critical to the nation's economic competitiveness as well as to our fellow citizens' access to work, medical care, education, and recreation. Passenger and freight mobility are important to rural, suburban, and metropolitan communities alike.

To accomplish these national objectives, the Surface Transportation Authorization Act establishes the following programs:

- **Metropolitan Mobility and Access** – Provides significant, dedicated funding to help the largest metropolitan regions address congestion. The program requires communities to develop metropolitan mobility plans to articulate each region's comprehensive local strategies for addressing surface transportation congestion and its impacts. To support Metropolitan Mobility and Access, the U.S. Department of Transportation, acting in part through a newly-created National Infrastructure Bank, may provide grants, loans, loan guarantees, lines of credit, private-activity bonds, tax-credit bonds, and other financial tools to help metropolitan regions implement their plans and finance a range of strategies, including improved transit operations, congestion pricing, and expanded highway and transit capacity.

- **Projects of National Significance** – Enhance U.S. global competitiveness by increasing the focus on goods movement and freight mobility. These high-cost projects, which cannot easily be addressed through formula grants of highway or transit funding, have significant national economic benefits, including improving economic productivity by facilitating international trade and relieving congestion at major trade gateways and corridors. To support Projects of National Significance, DOT, acting in part through the National Infrastructure Bank, will provide grants, loans, loan guarantees, lines of credit, private-activity bonds, tax-credit bonds, and other financial tools to States to finance the construction of these projects of national significance.

- **Freight Improvement** – Provides state formula grant funding for freight and goods movement projects and for improving States' ability to conduct freight planning. To support Freight Improvement, States will receive formula apportionments funded by contract authority derived from the Trust Fund.

- **High-Speed Rail Initiative** – Advances the Committee's and President Barack Obama's vision for high-speed rail, and provides funding to develop the 11 authorized high-speed rail corridors linking major metropolitan regions throughout the nation. To support the High-Speed Rail Initiative, DOT, acting in part through the National Infrastructure Bank, may provide grants, loans, loan guarantees, lines of credit, private-activity bonds, tax-credit bonds, and other financial tools to States to invest in construction of these high-speed rail corridors. This funding will not be provided from the motor vehicle fuel users fees of the Highway Trust Fund.

Improve Livability and Environmental Sustainability of Communities

Providing transportation choices and creating livable communities is essential to improving mobility for all users and ensuring that the transportation system enhances our quality of life. Expanding access to sustainable modes of transportation, and incorporating long-term mobility needs into the community planning process will yield significant benefits for public health and the environment.

To provide national leadership for the creation of livable communities and the development of sustainable transportation choices, the Surface Transportation Authorization Act creates an Office of Livability within the Federal Highway Administration (FHWA) of DOT.

The Office of Livability will establish a focal point within FHWA to advance environmentally sustainable modes of transportation, including transit, walking, and bicycling. This Office will encourage integrated planning, linking land use and transportation planning, to support the creation of livable communities. To ensure that roadways are built with the needs of all users in mind, the Surface Transportation Authorization Act requires that States and metropolitan regions consider comprehensive street design principles. Comprehensive street design takes into account the needs of all users, including motorists, motorcyclists, transit riders, cyclists, pedestrians, the elderly, and individuals with disabilities. Comprehensive street design principles are not prescriptive, do not mandate any particular design elements, and result in greatly varied facilities depending on the specific needs of the community in which they are located.

The Surface Transportation Authorization Act transforms the current transportation planning process by linking transportation planning with greenhouse gas emissions reductions. The Environmental Protection Agency, in consultation with DOT, will establish national transportation-related greenhouse gas emissions reduction goals. DOT, under the existing transportation planning process, will require States and metropolitan regions to develop surface transportation-related greenhouse gas emission reduction targets and incorporate strategies to meet these targets into their transportation plans. DOT, through performance measures, will verify that States and metropolitan areas achieve progress towards national transportation-related greenhouse gas emissions reduction goals.

Improve Efficiency of Federal Programs and Delivery of Projects

The Surface Transportation Authorization Act will significantly reduce the time and administrative burden for projects in the approval process. It will also restructure key functions and offices within DOT to institute reforms and processes that foster greater collaboration and efficiency.

- **New Transit Development** – Significantly restructures transit New Starts and Small Starts to speed project delivery; ensure that all of the benefits of the proposed projects are fully evaluated; and provide a level playing field for local decision-making.

- **Under Secretary of Intermodalism** – Establishes an Office of Intermodalism within the Office of the Secretary, charged with developing and implementing a National Transportation Strategic Plan for addressing the long-term needs of the surface transportation network. The Under Secretary also has responsibility for administering the Metropolitan Mobility and Access and Projects of National Significance programs and the National Infrastructure Bank.

- **Office of Expedited Project Delivery** – Creates offices within FHWA and FTA to improve the project delivery process by eliminating duplication in documentation and procedures and expedite the development of projects through the environmental review process, design, and construction.

FUTURE SURFACE TRANSPORTATION INVESTMENT NEEDS

Reforming existing programs is vital to addressing our surface transportation needs, but we must also invest more in our infrastructure. The National Surface Transportation Policy and Revenue Study Commission (Commission), which Congress created to determine the future needs of the surface transportation system, identified a significant surface transportation investment gap. The Commission called for an annual investment level of between $225 billion and $340 billion – by all levels of government and the private sector – over the next 50 years to upgrade all modes of surface transportation (highways, bridges, public transit, freight rail, and intercity passenger rail) to a state of good repair. The current annual capital investment from all sources in all modes of surface transportation is $85 billion.

Under existing transportation policy, the Federal highway, highway safety, and transit programs would be funded at a total level of $326 billion over the next six years. This level is not adequate to meet the needs of the system. We believe that a six-year investment of $450 billion is necessary. With the transformational reforms that we are making, the Surface Transportation Authorization Act will help give us the first-class transportation system that the nation will need in the decades to come. This level of investment is necessary to begin reducing roadway fatalities and injuries, improving mobility and access, eliminating freight bottlenecks, mitigating the impacts of our surface transportation system on the environment, and providing greater modal choice for all travelers.

A $450 billion program will enable the Federal Government, States, and major metropolitan regions to go beyond preserving our existing assets and restoring them to a state of good repair to add new highway and transit capacity. Many of the initiatives, including the Surface Transportation, Metropolitan Mobility and Access, Freight Improvement, Projects of National Significance, and New Starts programs, permit funding of new highway and transit capacity. Of course, improving the quality of the existing systems will also enable many of these assets to handle more capacity.

In addition to allowing States and metropolitan regions to add highway and transit capacity, the Surface Transportation Authorization Act provides substantial funding for transportation needs in rural America. Newly-established programs, such as the Critical Asset Investment and Freight Improvement programs, provide States with funding to bring the NHS, almost 70 percent of which is located in rural areas, to a state of good repair. The restructured Highway Safety Improvement program requires States to focus investment on their most dangerous roads, including rural roads which account for an estimated 55 percent of all motor vehicle crash-related fatalities.

The Surface Transportation Authorization Act leverages our investment in infrastructure by creating a National Infrastructure Bank (Bank). The Bank will maximize the limited resources available for investing in our surface transportation needs and allow the Federal Government to leverage resources to invest in our most critical national transportation assets.

Located within DOT's newly-created Office of Intermodalism and working in conjunction with the Metropolitan Mobility and Access, Projects of National Significance, and High-Speed Rail initiatives, the Bank will finance a wide variety of transportation projects, including highway, transit, rail, and intermodal freight projects, with priority given to large capital infrastructure projects that promise significant national or regional economic benefits.

The Bank will provide grants and credit assistance, including secured loans, loan guarantees, and stand-by lines of credit, as well as allocations of tax-exempt private activity bonding authority and tax-credit bonding authority to projects under the Metropolitan Mobility and Access, Projects of National Significance, and High-Speed Rail initiatives.

The National Infrastructure Bank will provide the necessary resources to supplement current Federal investment to build a surface transportation infrastructure system for the 21st Century.

CONCLUSION

The challenges facing the nation's surface transportation system cannot be addressed by making simple alterations to the existing set of surface transportation programs. We must move from an amalgamation of prescriptive programs to a performance-based framework for intermodal transportation investment.

Our Blueprint for the Surface Transportation Authorization Act provides a bold new vision, greater accountability, a forward-thinking approach, and the investments necessary to ensure that Americans have a surface transportation system to meet their needs in the 21st Century.

Specific information on the future framework for Federal surface transportation programs are outlined in the attached summaries.

	Total Population		Number of Votes	
	01/01/2008 *	01/01/2009 **	2008	2009
Alameda	75,823	74,683	2	1
Albany	16,877	16,884	1	1
Berkeley	106,697	107,178	2	2
Dublin	46,934	47,922	1	1
Emeryville	9,727	10,087	1	1
Fremont	213,512	215,636	4	4
Hayward	149,205	150,878	3	3
Livermore	83,604	84,409	2	2
Newark	43,872	44,035	1	1
Oakland	420,183	425,068	8	9
Piedmont	11,100	11,165	1	1
Pleasanton	69,388	70,097	1	1
San Leandro	81,851	82,472	2	2
Union City	73,402	73,977	1	1
Unincorporated Alameda County	140,825	142,166	3	3
BART	N/A		1	1
AC Transit	N/A		1	1
		Total Number of Votes	35	35

Source: California Department of Finance
* E-1 City / County Population Estimates, 2008
** E-1 City / County Population Estimates, 2009

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